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United States  
Department of  
Agriculture

Office of  
Information

# **Selected Speeches and News Releases**

**March 30 - April 6, 1989**

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# News Releases

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## USDA ANNOUNCES CHANGES IN DAIRY PRICE SUPPORT PROGRAM

WASHINGTON, March 30—Secretary of Agriculture Clayton Yeutter said today that the level of price support for milk will be temporarily increased for three months, beginning April 1, from \$10.60 per hundredweight (cwt.) to \$11.10 per cwt.

The Disaster Assistance Act of 1988 requires the secretary to increase the support price by 50 cents per cwt. from April 1 through June 30.

The price support of \$11.10 per cwt. is for milk with a milkfat content of 3.67 percent—the national average—and compares with \$10.83 per cwt. for milk with a milkfat content of 3.5 percent.

The price support program for milk is carried out through Commodity Credit Corporation purchases of butter, cheese and nonfat dry milk. The CCC purchase prices for cheese and nonfat dry milk will be increased on April 1 to reflect the higher support price.

Because of current market conditions, all of the price support increase for butter and nonfat dry milk has been applied to the CCC purchase price for nonfat dry milk. The CCC purchase price for nonfat dry milk will be increased by 6.25 cents per pound to \$0.79 per pound. The butter price will be unchanged at \$1.32 per pound. The CCC purchase prices for block Cheddar and barrel cheese will be increased by 5 cents per pound to \$1.2025 per pound and \$1.1625 per pound, respectively.

These purchase prices are in accordance with recent legislation which stipulates that at least 75 percent of the price support increase shall be for the purchase of nonfat dry milk and not more than 25 percent for butter.

Further terms and conditions for CCC purchases of dairy products will be contained in CCC announcements.

CCC-owned dairy products will continue to be available for purchase for unrestricted use at prices which are about 10 percent over the prevailing CCC price support purchase prices. Currently, only butter is being offered by CCC for sale.

Bruce Merkle (202) 447-6787

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## USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, March 30—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, March 31, through midnight Thursday, Apr. 6.

Since the adjusted world price (AWP) is above the 1987 crop and 1988 crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987 crop and 1988 crop upland cotton during this period is equal to the respective loan rates for the specific quality and location.

Because the loan repayment rate for 1988 crop upland cotton in effect during this period is above the established loan rate, loan deficiency payments are not available for 1988 crop upland cotton sold during this period.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending March 30, the AWP for upland cotton and the coarse count adjustment are determined as follows:

### Adjusted World Price

Northern Europe Price .....	68.15
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#### Adjustments:

Average U.S. spot market location .....	12.01
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SLM 1-1/16 inch cotton .....	2.00
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Average U.S. location .....	0.42
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Sum of Adjustments .....	<u>-14.43</u>
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ADJUSTED WORLD PRICE .....	53.72 cents/lb.
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### Coarse Count Adjustment

Northern Europe Price .....	68.15
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Northern Europe Coarse Count Price .....	<u>-63.53</u>
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	4.62
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Adjustment to SLM 1-inch cotton .....	<u>-4.15</u>
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COARSE COUNT ADJUSTMENT .....	0.47 cents/lb.
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The next AWP and coarse count adjustment announcement will be made on Apr. 6.

Charles Cunningham (202) 447-7954

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## **WEEDS' WAX CRYSTALS BOOST HERBICIDE EFFECTIVENESS**

WASHINGTON, April 3—Wax crystals occurring naturally on the leaves of weed grasses could help farmers kill more of those weeds for a fraction of current herbicide costs, a U.S. Department of Agriculture scientist has reported.

Farmers typically apply herbicides mixed with as much as 20 gallons of water per acre. But herbicide rates can be cut to one-fourth their usual amount if the chemicals instead are applied in paraffinic (lightweight mineral) oil at one to two quarts per acre, according to Chester G. McWhorter, a plant physiologist with USDA's Agricultural Research Service at Stoneville, Miss.

"Crystals on the leaf surface spread the paraffinic oil and then the oil melts the wax," said McWhorter. When the wax dries again, he said, the herbicide in the oil stays in the wax—it won't evaporate, and water won't wash it off.

"When you put herbicide out in this oil, the rates of herbicide you need go down remarkably," he said.

"This probably won't work for all herbicides," he said. "But we think it will work for the aryloxyphenoxy propanoic acids, the herbicides normally used for selective grass control."

McWhorter said, "People always think at first that it would cost more to use oil instead of water to put out herbicides. But the farmer is already using crop oil in his herbicide mix. And actually our system is cheaper—we're taking out the emulsifier you normally have to use because the herbicide isn't water soluble."

In field tests using the oil, researchers trimmed the amounts of one herbicide to .025 pound per acre from the recommended .128 pound and obtained 90 percent control of johnsongrass, the scientist said.

"Using water at 20 gallons per acre or soy oil at one gallon per acre, we got about 20 percent coverage on leaves. Water alone gave no spread. But when we made the herbicide application in paraffinic oil, we initially



had droplets, but they spread instantly, so we had 100 percent coverage,” said McWhorter.

In an article in the March issue of Agricultural Research magazine, McWhorter noted that the wax crystals may play an important role in explaining changes in weeds’ resistance to herbicides.

He said close examination of johnsongrass of different ages revealed that when the weed leaf first emerges, the wax on its surface is smooth. The wax crystals begin forming from the wax within three to five days, but as the plant ages, a smooth layer of wax grows over the crystals.

“That’s why the older plant is more resistant to herbicides,” he said. “There’s that smooth barrier on top, plus there are air pockets between that top barrier and the leaf surface itself.

Sandy Miller Hays (301) 344-4089

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## **WATERMELON PRODUCERS AND HANDLERS APPROVE RESEARCH AND PROMOTION PROGRAM**

WASHINGTON, March 31—Watermelon producers and handlers have voted to adopt a federal research and promotion plan, a U.S. Department of Agriculture official announced today.

J. Patrick Boyle, administrator of USDA’s Agricultural Marketing Service, said that in a referendum conducted in February, a majority of producers (approximately 52 percent) and a majority of handlers (approximately 56 percent) approved the plan. Those in favor of the plan accounted for 73 percent of the volume of watermelons grown or handled by those voting in the referendum.

The plan meets statutory criteria for industry approval, according to Boyle. To pass, the referendum had to be approved by either two-thirds of those voting, or a majority of producers and a majority of handlers accounting for at least two-thirds of the volume of watermelons grown or handled by those voting in the referendum.

Authorized by the Watermelon Research and Promotion Act of 1985, the plan also provides for the establishment of a National Watermelon Board. The 29-member board will be composed of producers, handlers and the general public. Twenty-eight members of the board will be appointed by the secretary of agriculture from nominations originating in the industry; one will be a public member appointed by the secretary



from outside the industry. Industry representatives will be divided evenly between handlers and producers.

The board's responsibilities will include development and recommendation of research, promotion and advertising projects for approval by the secretary. The board also will oversee a small administrative staff managing the program's daily work. Projects developed by the board and approved by the secretary will favor no particular production region or variety of watermelon grown in the contiguous 48 states.

The plan allows for the establishment of projects relating to the research, promotion and advertising of watermelons. Funds to administer the program will be derived from assessments on producers and first handlers of watermelons, Boyle said. The assessment rate, to be recommended by the board and fixed by the secretary of agriculture, can be set at a maximum of two cents per hundred pounds for producers and two cents per hundred pounds for handlers.

All producers of five acres or more and first handlers are required to pay the assessment. A grower of five or more acres of watermelons who also handles watermelons would pay both assessments. However, producers and handlers who do not wish to support the program can obtain a refund upon written request.

Clarence Steinberg (202) 447-6179

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## **USDA ANNOUNCES 1989 WOOL AND MOHAIR SUPPORT PRICES**

WASHINGTON, April 3—Support prices for wool and mohair for 1989 marketings will be \$1.77 per pound for shorn wool and \$4.588 per pound for mohair, a U.S. Department of Agriculture official announced today.

Vern Neppl, acting executive vice president of USDA's Commodity Credit Corporation, said that price support payments for shorn wool will be based on a percentage of each producer's return from shorn wool sales. The price support payment rate is the percentage which, when applied to the sales proceeds, raises the national average price received by all producers for shorn wool in 1989 up to the support price of \$1.77 per pound.

Mohair price support payments will be calculated in a manner similar to shorn wool price support payments in order to maintain approximately the same percentage of parity for mohair as for shorn wool. Mohair is being supported at 85 percent of the percentage of parity at which shorn wool is supported.

Neppl said pulled wool will be supported at a level comparable to the support price for shorn wool in order to maintain normal marketing practices for shorn wool. Pulled wool will be supported by means of payments based on hundredweight of lambs marketed unshorn.

Further details will be published in the Federal Register at a later date.

Bruce Merkle (202) 447-6787

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## **COMMENTS SOUGHT ON 1990 WHEAT PROGRAM AND COMMON PROGRAM PROVISIONS**

WASHINGTON, April 4—The U.S. Department of Agriculture today asked for public comments on the percentage reduction, if any, for an acreage reduction program (ARP) for the 1990 wheat crop.

A decision will be announced on any 1990 wheat ARP no later than June 1. If the 1989 ending stocks for wheat are estimated to be below one billion bushels, the ARP may not exceed 20 percent for the 1990 wheat crop.

USDA also requested comments on other provisions of the 1990 wheat program and the program provisions that are common to the 1990 crops of wheat, feed grains, cotton and rice.

Comments will be considered along with information concerning the outlook for domestic and foreign supply and demand before final program decisions are made.

Comments on these additional 1990 wheat program provisions are requested:

—The percentage reduction for any paid land diversion (PLD). A PLD for the 1990 crop of wheat is not proposed.

—Whether a marketing loan and related provisions should be implemented. Marketing loans for the 1990 crop of wheat are not proposed.



—The premium and discount schedule for the 1990 crop of wheat and other determinations necessary to carry out the wheat price support program.

Comments also are requested on the following common program provisions for the 1990 crops of wheat, feed grains, cotton and rice:

—Whether the production of approved nonprogram crops should be allowed on underplanted, program-crop permitted acreage, also known as conservation use (CU) or 0/92 and 50/92 acreage. These crops include sweet sorghum, guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale and rye. Other commodities which could be approved are those for which no substantial domestic production or market exists but that could yield industrial raw materials which might be imported, or commodities grown for experimental purposes.

—Whether the production of alternate crops should be allowed on acreage conservation reserve (ACR). The alternate crops are the same nonprogram crops as those listed in the preceding paragraph, as well as other commodities:

—Whether haying and grazing of CU and ACR should be permitted. Haying and grazing must be permitted, except during a five-consecutive-month period during the seven months between April 1 and Oct. 31, 1990, as established by the State Agricultural Stabilization and Conservation committee, unless it is determined that haying or grazing will have an adverse economic effect. Unlimited haying and grazing may be permitted in the event of a natural disaster.

—Whether to require offsetting or cross compliance. USDA proposes limited cross compliance requirements (except for oats and ELS cotton) but not to impose offsetting compliance requirements for the 1990 commodity programs. For a producer to be eligible for benefits for a crop of wheat, feed grains (except oats), Upland cotton or rice, if limited cross compliance is in effect, the acreage planted for harvest on a farm to any other program crop may not exceed the crop acreage base for such a crop. If offsetting compliance requirements are not in effect, eligibility for program benefits for a program crop on a farm will not be affected by actions taken with that crop on another farm.

—Whether an advance recourse commodity loan program should be made available. It is not proposed to implement this program for the 1990 crops.

—Whether producers should be permitted to increase a crop acreage base by up to 10 percent of the farm acreage base if corresponding decreases in one or more alternative crop acreage bases are made. This adjustment option is not proposed for the 1990 crops.

—Whether soybeans or sunflowers should be allowed to be planted on 10 to 25 percent of the permitted acreage.

—Whether interest payment certificates should be issued to producers who repay price support loans.

—Whether cost reduction options should be implemented.

Further program details will appear in the April 5 Federal Register. Comments may be submitted to: Director, Commodity Analysis Division, USDA/ASCS, Room 3741-S, P.O. Box 2415, Washington, D.C. 20013. They must be received by May 15 to be assured consideration. All comments will be available for public inspection in Room 3744-S during regular business hours.

A regulatory impact analysis on the 1990 wheat program and the common program provisions for the 1990 crops of wheat, feed grains, cotton and rice may be obtained from the Commodity Analysis Division.

Robert Feist (202) 447-6789

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## **FOREST SERVICE TO REVIEW NATIONAL FOREST PLANNING EFFORTS**

WASHINGTON, April 4—The U.S. Department of Agriculture's Forest Service is asking for public input in a review of its process for establishing long-range resource management plans for National Forests.

FS Chief F. Dale Robertson said the agency is just beginning to study its method for writing management plans for individual forests. Such plans are designed to manage the resources of more than 191 million acres of federal land in an environmentally sound manner. Plans are updated every 10-15 years.

“The Forest Service will use this review to identify approaches and activities that are successful in formulating forest plans and to take advantage of opportunities to improve long-range planning,” Robertson said.

“Many groups and individuals have helped the Forest Service in preparing individual forest plans. We hope these people and organizations



will join with us in the review, so planning can be improved in the future.”

The study will last about one year. Topics include usefulness of plans for managing National Forests, coordination with other agencies, and effectiveness of analytical tools used. The review will also consider how decisions are reached, how efficiently the agency is staffed for producing forest plans, and how well the agency incorporates information from the public into plans.

People interested in participating in the review should write Gary Larsen, Policy Analysis, USDA Forest Service, P.O. Box 96060, Washington, D.C., 20090-6090; telephone (202) 447-4867.

Jo Bridges (202) 447-2494

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## **USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES**

WASHINGTON, April 4—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 10.33 cents per pound;
- medium grain whole kernels, 9.69 cents per pound;
- short grain whole kernels, 9.62 cents per pound;
- broken kernels, 5.17 cents per pound.

Minimum loan repayment rates for 1987 crop loans are the higher of the world price or 50 percent of the loan rate. For 1988 crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.39 per hundredweight;
- medium grain, \$6.06 per hundredweight;
- short grain, \$5.78 per hundredweight.

The prices announced are effective today at 3:00 P.M. EDT. The next

scheduled price announcement will be made April 11 at 3:00 P.M. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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## **USDA TO HOLD PUBLIC HEARINGS ON IMPROVED PROCESSING INSPECTION SYSTEM**

WASHINGTON, April 4—The U.S. Department of Agriculture's Food Safety and Inspection Service will hold public hearings this summer on developing its improved meat and poultry processing inspection system, according to Dr. Lester M. Crawford, FSIS administrator.

FSIS will postpone final decisions until after public hearings on those aspects of its Improved Processing Inspection proposal which have elicited substantive responses during a 90-day comment period which started last November.

Crawford said FSIS soon will finalize the criteria for the riskbased inspection program presented in the proposal. These criteria identify factors that FSIS will consider in determining the frequency of processing inspections. The changes will pertain only to meat and poultry processing operations. Slaughter operations will not be affected.

Crawford said FSIS will maintain the inspection workforce at its current strength for the time being.

“FSIS also will begin reassigning resources to more scientifically based components of the improved processing inspection system. These include steps to increase the emphasis on food science and prevention of microbiological hazards.”

Crawford said the areas that will receive increased emphasis are:

- Analytical testing to supplement inspector decisionmaking, including both laboratory and rapid in-plant tests to detect contamination problems;
- Automated information systems to detect trends and assess cumulative records of individual plant performance and controls;
- Research into foodborne pathogens to determine incidence, infective doses, likely points of contamination, and effective preventive measures;
- Assignment of in-plant skilled food scientists to assess complex new technology in meat and poultry processing;

—Increased emphasis on plant processing controls to prevent hazards in the food supply.

FSIS inspects meat and poultry products for interstate commerce to ensure safety, wholesomeness and labelling accuracy. The agency is modifying its regulations on processing inspection to implement an amendment to the Federal Meat Inspection Act passed by Congress in 1986.

Patricia Drayne (202) 447-7608

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## **USDA DESIGNATES 20 ADDITIONAL COUNTIES IN THREE STATES FOR ELS COTTON PRODUCTION**

WASHINGTON, April 5—Because of increased demand for ELS cotton, 20 additional counties in California, Mississippi and Texas have been designated as suitable for growing extra long staple (ELS) cotton for marketing year 1989, a U.S. Department of Agriculture official said today.

Vern Neppel, acting vice president of USDA's Commodity Credit Corp., said producers in the newly-designated counties may now grow ELS cotton and qualify for ELS program benefits.

Interest in growing ELS cotton in the United States outside of traditional production areas has increased recently because of strong foreign demand and high prices. With the additional counties, a total of 59 counties have been designated.

The Agricultural Act of 1949, as amended, defines ELS cotton for program purposes, as any pure strains of the *Barbadense* species, or hybrid thereof, of cotton that is ginned on a roller type gin and is grown in a county designated by the CCC as a county where ELS cotton is produced.

On Feb. 6, a list of the counties designated as suitable for growing ELS cotton was published in the Federal Register. The newly designated counties are: California—Fresno, Kern, Kings; Mississippi—Bolivar, Coahoma, Panola, Quitman, Tunica; Texas—Andrews, Bee, Bexar, Dimmit, Frio, Gaines, Kinney, La Salle, Medina, Refugio, Uvalde, Zavala.



A complete list will appear in the Federal Register at a later date.

Bruce Merkle (202) 447-6787

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## COMPANY MARKETS SUPER TEST FOR PLANT VIRUSES

WASHINGTON, April 5—A kit that detects at least 43 plant viruses in everything from Easter lilies to wheat is the first product to go from U.S. Department of Agriculture laboratories to the marketplace under a 1986 federal law.

James T. Hall of USDA's Agricultural Research Service said the Federal Technology Transfer Act of 1986 makes federal technology more accessible to private industry and state and local governments.

Agdia, Inc., of Mishawaka, Ind., is now marketing the kit, said Hall, who is ARS' research and technology applications coordinator. The company tested an antibody developed by agency plant pathologists John Hammond and Ramon L. Jordan for almost two years. The kit uses the antibody to detect potyviruses, named for potato virus Y.

Potyviruses stunt, wilt or kill plants. They strike a wide range of crops worldwide, including lettuce, corn, wheat and flowers such as irises, gladiolus, lilies and tulips. "Some of these viruses," Jordan said, "can lower the market value of a vegetable or ornamental by 75 percent.

"Previous tests detected only a single virus or a few closely related strains, and those tests had to be run one at a time."

The agency has applied for a patent on the antibody and its uses. Agdia has been granted an exclusive license to use the technology covered by the pending patent.

Agdia is now working with other agency plant pathologists who have developed genetic probes to detect organisms that cause serious plant diseases affecting tomatoes, fruit, clover and ornamentals.

Don Comis (301) 344-2773

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## USDA ANNOUNCES 1989 FLUE-CURED TOBACCO GRADE SUPPORT RATES

WASHINGTON, April 5—The U.S. Department of Agriculture today announced grade loan rates for the 1989 crop of flue-cured tobacco, based on the price support level of \$1.468 per pound.

The loan rates range from \$1.01 to \$1.92 per pound for the 1989 crop. For the 1988 crop, the price support level was \$1.442 per pound and the loan rates ranged from 99 cents to \$1.91 per pound.

The Flue-Cured Tobacco Cooperative Stabilization Corp. will deduct one cent per pound from the grade loan rates to help defray administrative overhead cost.

Loans are unavailable on tobacco graded P5L, P5F, P5G, N1L, N1GL, N1XL, N1XO, N1PO, NO-G (no grade), N2 (second quality nondescript), W (doubtful keeping order), U (unsound) or scrap. However, marketings of these low grades will be charged against the quotas of the farms on which they were produced.

Loan rates will be discounted 10 percent for any grade of supported primings that contain more dirt or sand than normal.

Tables containing the support rates follow:

# 1989-Crop Flue-Cured Tobacco, Types 11-14, Support Schedule

GRADE	LOAN RATE	GRADE	LOAN RATE	GRADE	LOAN RATE
<i>(Dollars per pound farm sales weight)</i>					
B1L	\$1.92	B3V	\$1.68	B4KV	\$1.52
B2L	1.90	B4V	1.63	B5KV	1.42
B3L	1.86	B5V	1.55	B6KV	1.33
B4L	1.83				
B5L	1.73	B3KM	1.67	B3KD	1.58
B6L	1.68	B4KM	1.62	B4KD	1.51
		B5KM	1.54	B5KD	1.39
B1F	1.92	B6KM	1.44	B6KD	1.31
B2F	1.90				
B3F	1.86	B3S	1.62	B4G	1.46
B4F	1.84	B4S	1.57	B5G	1.38
B5F	1.73	B5S	1.51	B6G	1.30
B6F	1.68				
		B3KL	1.61	B4GK	1.44
B1FR	1.91	B4KL	1.56	B5GK	1.37
B2FR	1.88	B5KL	1.47	B6GK	1.28
B3FR	1.85	B6KL	1.40		
B4FR	1.82			B5GR	1.24
B5FR	1.72	B3KF	1.61		
B6FR	1.66	B4KF	1.56	B5GG	1.19
		B5KF	1.47		
B3K	1.77	B6KF	1.40	H3F	1.88
B4K	1.72			H4F	1.85
B5K	1.65	B3KK	1.60	H5F	1.74
B6K	1.54	B4KK	1.55	H6F	1.68
		B5KK	1.46		
B3KR	1.73	B6KK	1.37	H4FR	1.83
B4KR	1.67			H5FR	1.73
B5KR	1.58	B5R	1.42	H6FR	1.67

1989-Crop Flue-Cured Tobacco, Types 11-14, Support Schedule

GRADE	LOAN RATE	GRADE	LOAN RATE	GRADE	LOAN RATE
<i>(Dollars per pound farm sales weight)</i>					
H4K	\$1.73	X3KR	\$1.46	N1K	120
H5K	1.66	X4KR	1.38	N1R	115
H6K	1.55			N1GF	106
		X3V	1.44	N1GR	105
C1L	1.78	X4V	1.35	N1KV	106
C2L	1.75			N1GG	101
C3L	1.70	X3KM	1.38	N1BO	109
C4L	1.62	X4KM	1.28		
C5L	1.56				
		X3S	1.37		
C1F	1.78	X4S	1.27		
C2F	1.75				
C3F	1.70	X4KL	1.24		
C4F	1.62	X4KF	1.24		
C5F	1.56				
		X3LL	1.29		
C4KR	1.53	X4LL	1.23		
C4V	1.51	X4KV	1.20		
C4KM	1.49				
		X4G	1.20		
C4S	1.47	X5G	1.15		
		X4GK	1.18		
C4KL	1.46				
C4KF	1.46	P2L	1.37		
		P3L	1.28		
C4KK	1.44	P4L	1.20		
C4LL	1.39	P2F	1.37		
C5LL	1.33	P3F	1.28		
		P4F	1.20		
C4G	1.35				
C4GK	1.30	P4G	1.05		

Table continued on next page.

C5LP	1.26		
C5FP	1.26	M4F	1.41
		M5F	1.31
X1L	1.71	M4KR	1.30
X2L	1.64	M4KM	1.29
X3L	1.55	M5KM	1.26
X4L	1.39	M4GK	1.19
X5L	1.22	M5GK	1.12
X1F	1.71		
X2F	1.64		
X3F	1.55		
X4F	1.39		
X5F	1.22		

Bruce Merkle (202) 447-6787

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## USDA ANNOUNCES ESTIMATED 1988 WOOL AND MOHAIR PAYMENTS

WASHINGTON, April 5—The U.S. Department of Agriculture said today that sheep producers will receive about \$40 million in federal price support payments on shorn and pulled wool for the 1988 marketing year. Mohair payments will be about \$50 million. Payments are scheduled to begin April 14.

The 1988 support price for shorn wool is \$1.78 per pound, determined in accordance with the National Wool Act of 1954, as amended. The 1988 national average market price for shorn wool, \$1.38 cents per pound, was 40 cents less than the support price.

The 1988 shorn wool payment rate of 29 percent is the percentage which brings the average price received by all producers up to the support price. The payment rate will be applied to the net proceeds received by each producer for shorn wool marketed during the marketing year.

For mohair, the 1988 average market price was \$1.89 and the support price is \$4.69 per pound, making the payment rate 148.1 percent.



As required by price support regulations, USDA's Commodity Credit Corp. will not make payments on the amount of a producer's sales proceeds that exceed \$5.52 per pound for wool or \$7.56 per pound for mohair.

The Wool Act provides that pulled wool shall be supported at a level comparable to the shorn wool support rate in order to maintain normal pulled wool marketing practices. Accordingly, producers will receive \$1.60 per hundredweight in price support payments for unshorn lambs that were sold or slaughtered during the 1988 marketing year.

Bruce Merkle (202) 447-6787

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## **USDA TO PROPOSE CHANGES IN UPLAND COTTON PROGRAM**

WASHINGTON, April 5—Secretary of Agriculture Clayton Yeutter today announced that the U.S. Department of Agriculture will consider possible changes to the upland cotton program to make U.S. cotton more competitive in world markets.

Yeutter said that the current adjusted world price (AWP) formula for upland cotton seems to be limiting the international price competitiveness of U.S. cotton, a result that clearly was not intended when the cotton marketing loan program was established. In addition, he said that widespread use of the 8-month loan extension, stimulated by the current Commodity Credit Corp. policy on interest and storage charges, seems to have artificially reduced supplies available to the market place even though inventories are increasing. These factors are causing a loss in exports of U.S. cotton, and they also increase raw material costs for domestic textile mills (as compared to their foreign competitors).

In searching for ways to correct this situation, USDA will request public comment on proposals to:

—Amend the AWP regulations to authorize an additional adjustment in the AWP. Any additional adjustment would consider price quotations in designated U.S. spot markets and Northern Europe, the level of U.S. export sales, and other relevant data.

—Beginning with the 1989 crop, require the payment of interest and warehouse storage charges on outstanding loans during the 8-month loan extension period and require producers who request loan extensions to

either prepay the eight months of storage charges to the warehouse or provide documentation from the warehouse that CCC will not be held responsible for such storage charges.

Details of the proposals will soon be published in the Federal Register.

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## **LESS THAN 1 PERCENT OF U.S. AGRICULTURAL LAND IS FOREIGN-OWNED**

WASHINGTON, April 6—Foreign interests owned 12.5 million acres, or slightly less than 1 percent, of privately owned U.S. agricultural land as of Dec. 31, 1988, according to the U.S. Department of Agriculture's Economic Research Service. The new total is 99,100 acres more than a year earlier.

These and other findings are based on an analysis of reports submitted to USDA under the Agricultural Foreign Investment Disclosure Act of 1978.

The analysis revealed:

—Forest land accounts for 48 percent of all foreign-owned acreage; cropland, 17 percent; pasture and other agricultural land, 30 percent; and nonagricultural land, 5 percent.

—Corporations own 80 percent of the foreign-held acreage; partnerships, 11 percent; and individuals, 7 percent. The remaining 2 percent is held by estates, trusts, associations, institutions, and others.

—U.S. corporations in which foreign persons (individuals and other entities such as corporations and partnerships) have a significant interest or substantial control reported owning 60 percent of all foreign-held acreage. The remaining 40 percent of foreign-held acreage is held by foreign persons not affiliated with a U.S. corporation.

—Some land is held only in part by foreign investors. These partial interests reduce the 12.5 million acres of foreign holdings of U.S. agricultural land to an equivalent of 11.6 million acres.

—Foreign persons from the United Kingdom, Canada, France, West Germany, the Netherlands Antilles, the Netherlands, and Switzerland own 74 percent of the foreign-held acreage. Foreign persons from Japan own 2 percent of the total.

—The largest foreign-owned acreage, mostly timberland, was reported in Maine. Foreign holdings account for 10 percent of Maine's privately owned agricultural land. These holdings represent about 14 percent of all the reported foreign-owned land nationwide. Three large timber companies own 91 percent of the foreign-held acres in Maine. Two are Canadian and the third is a U.S. company that is partially French-owned.

—Except for Maine, foreign holdings are concentrated in the South (36 percent) and West (35 percent). Rhode Island is the only state with no reported foreign-owned agricultural land.

—Ninety-three percent of the foreign-owned acreage will remain in agricultural production, according to foreign owners. They also reported no plans to change tenancy or rental arrangements on 41 percent of the acres. Some change is planned on 27 percent of the acres. "No response" accounted for 32 percent.

*Table on following page.*



**Table 1—U.S. Agricultural Landholdings of Foreign Owners, by State  
Dec. 31, 1988**

State	Foreign- owned agricul- tural land	State	Foreign- owned agricul- tural land	State	Foreign- owned agricul- tural land
	<i>Acres</i>		<i>Acres</i>		<i>Acres</i>
Alabama	279,084	Louisiana	659,400	Oklahoma	31,148
Alaska	416	Maine	1,799,794	Oregon	804,523
Arizona	270,285	Maryland	50,926	Pennsylvania	74,122
Arkansas	171,570	Massachusetts	1,703	Puerto Rico	1,448
California	922,889	Michigan	200,595	R. Island	0
Colorado	531,939	Minnesota	296,076	S. Carolina	212,695
Connecticut	1,120	Mississippi	437,693	S. Dakota	42,901
Delaware	5,364	Missouri	59,173	Tennessee	73,211
Florida	519,236	Montana	444,476	Texas	1,029,885
Georgia	578,395	Nebraska	70,552	Utah	61,710
Guam	336	Nevada	155,507	Vermont	110,966
Hawaii	53,895	N. Hampshire	84,517	Virginia	116,111
Idaho	18,856	New Jersey	26,642	Washington	402,204
Illinois	116,463	New Mexico	557,115	W. Virginia	74,183
Indiana	43,965	New York	348,589	Wisconsin	21,047
Iowa	31,662	N. Carolina	262,828	Wyoming	99,135
Kansas	59,961	North Dakota	28,846		
Kentucky	78,564	Ohio	161,017	Total	12,484,738



**Table 2a—U.S. Agricultural Landholdings by Country of Foreign Owner, (excluding interests of U.S. corporations with foreign shareholders)**

**Dec. 31, 1988**

Country	Acres	Country	Acres
Argentina	13,256	Liberia	33,237
Australia	3,558	Libyan Arab Republic	302
Austria	55,989	Liechtenstein	177,624
Bahamas	32,176	Luxembourg	6,485
Bahrain	553	Malaysia	2,809
Belgium	62,871	Mexico	238,340
Belize	1,400	Montserrat	145
Bermuda	73,436	Morocco	17,035
Bolivia	11	Namibia	146
Brazil	1,621	Netherlands	130,341
British Virgin Islands	32,461	Netherlands Antilles	447,711
Canada	1,414,162	New Zealand	350
Cayman Islands	24,228	Nicaragua	1,348
Chile	436	Nigeria	14
China	485	Norway	5,506
Colombia	8,057	Oman	454
Costa Rica	15,579	Pakistan	2,171
Cuba	20	Panama	200,286
Czechoslovakia	485	Peru	291
Denmark	9,226	Philippines	3,233
Dominican Republic	2,129	Poland	147
Ecuador	1,050	Portugal	816
Egypt	1,747	St. Vincent	2,637
El Salvador	235	Saudi Arabia	35,387
France	83,982	Singapore	1,048
Gambia	294	South Africa	1,698
Germany (West)	720,192	Southern Rhodesia	230
Greece	57,227	Spain	1,798
Guatemala	844	Sweden	6,518
Guyana	35	Switzerland	207,762

*Table continued on next page.*

Honduras	892	Syria	4,847
Hong Kong	18,318	Taiwan	6,366
Hungary	110	Tanzania	10,143
India	1,688	Thailand	240
Indonesia	824	Trinidad & Tobago	131
Iran	3,961	Turkey	558
Iraq	1,140	Turks Islands	3,192
Ireland	11,090	United Arab Emirates	2,750
Israel	991	United Kingdom	289,402
Italy	82,418	Uruguay	11,497
Ivory Coast	119	U.S.S.R.	835
Jamaica	1,621	Venezuela	25,294
Japan	146,604	Vietnam	152
Jordan	2,304	Yugoslavia	1,024
Kenya	32	Multiple <sup>1</sup>	51,054
Korea (South)	585	Third tier <sup>2</sup>	212,661
Kuwait	1,568		
Laos	31	Subtotal (Table 2a) <sup>3</sup>	5,051,849
Lebanon	13,793		

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(See footnotes at end of Table 2b.)

**Table 2b—U.S. Agricultural Landholdings by Country of Foreign Owner, (Interests of U.S. corporations with foreign shareholders)**  
**Dec. 31, 1988**

Country	Acres	Country	Acres
US/Andorra	3,741	US/Lebanon	703
US/Argentina	4,140	US/Liberia	29,945
US/Australia	1,283	US/Libyan Arab Republic	280
US/Austria	15,585	US/Liechtenstein	169,363
US/Bahamas	67,526	US/Luxembourg	232,911
US/Barbados	41	US/Malaysia	300
US/Belgium	66,370	US/Mexico	89,588
US/Bermuda	38,684	US/Netherlands	380,321
US/Brazil	10,401	US/Netherlands Antilles	231,648
US/Brit. Virgin Islands	3,285	US/New Hebrides	2,991
US/Canada	1,084,015	US/New Zealand	594
US/Cayman Islands	10,744	US/Nicaragua	282
US/Chile	9,929	US/Norway	352
US/China	322	US/Panama	75,144
US/Colombia	7,574	US/Philippines	2,079
US/Denmark	2,004	US/Portugal	1,683
US/Ecuador	1,549	US/Saudi Arabia	19,923
US/Egypt	1,963	US/South Africa	3,309
US/El Salvador	12	US/Spain	4,120
US/Finland	3,047	US/Sweden	3,424
US/France	1,051,679	US/Switzerland	267,683
US/Germany (West)	410,505	US/Taiwan	9,943
US/Greece	6,916	US/Thailand	252
US/Guatemala	412	US/Trinidad & Tobago	20
US/Guyana	334	US/Turkey	443
US/Honduras	37	US/United Arab Emirates	1,705
US/Hong Kong	6,056	US/United Kingdom	2,490,484
US/Iran	2,302	US/Uruguay	618
US/Iraq	960	US/Venezuela	38,376
US/Ireland	2,918	US/Multiple	178,904
US/Italy	9,667	US/Third Tier	292,666

*Table continued on next page.*



US/Japan	71,131	Subtotal (Table 2b) <sup>4</sup>	7,432,889
US/Korea (South)	75	Total all	
US/Kuwait	7,628	Landholdings	12,484,738

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<sup>1</sup>A report is processed as “multiple” when no single country predominates—for example, an equal partnership between a Canadian and a West German.

<sup>2</sup>A report is processed as “third tier” if three or more levels of ownership are reported with no foreign interests indicated.

<sup>3</sup>Total interests excluding U.S. corporations with foreign shareholders.

<sup>4</sup>Total interest of U.S. corporations with foreign shareholders.

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